

RESOLUTION OF BOSTON REDEVELOPMENT AUTHORITY AUTHORIZING  
FILING OF AMENDATORY APPLICATION FOR LOAN AND CAPITAL GRANT  
FOR PROJECT NO. MASS. R-77

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WHEREAS, the Boston Redevelopment Authority is party to a Loan and Capital Grant Contract with the United States dated January 18, 1965, as amended;

WHEREAS, it is necessary and in the public interest for purposes of Project No. R-77 described in said contract (hereinafter referred to as the "Project"), that the Loan and Capital Grant be increased to provide for additional loan and grant assistance; and

WHEREAS, Title VI of the Civil Rights Act of 1964, and regulations of the Federal Department of Housing and Urban Development effectuating that Title, provide that no person shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in the undertaking and carrying out of urban renewal projects assisted under Title I of the Housing Act of 1949, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That an application to amend the Loan and Grant Contract No. Mass. R-77, dated January 18, 1965, as amended, for the purpose of seeking an increase of the Project Temporary Loan from \$22,036,200 to \$31,850,709, an increase of the Project Capital Grant from \$15,360,200 to \$25,174,709 is hereby approved, and that the Development Administrator is hereby authorized, for and on behalf of the Authority, to execute and file such Amendatory Application with the Department of Housing and Urban Development, and to provide such additional information and furnish such documents as may be required by said Department.

2. That the United States of America and the Secretary of the Department of Housing and Urban Development be, and they hereby are, assured of full compliance by the Authority with regulations effectuating Title VI of the Civil Rights Act of 1964.

June 27, 1968

MEMORANDUM

TO: Boston Redevelopment Authority

FROM: Hale Champion, Development Administrator

SUBJECT: Increase in Downtown Waterfront Project Expenditures Budget

Costs for the development of the Downtown Waterfront Project have exceeded the estimate approved at the time of H.U.D. acceptance on August 18, 1964. Therefore, it is necessary to submit a revised Project Expenditures Budget and request an amendment to the Loan and Grant Contract increasing the total Federal Capital Grant by \$9,814,509 and the Project Temporary Loan by \$9,814,509.

Since receiving approval of the original budget, several factors beyond the control of the Authority have resulted in increased costs.

This increase is attributable primarily to the following:

- 1) Increased costs for real estate purchases resulting from court settlements in excess of original estimates and including acquisition of the Union Freight Railroad tracks and rights-of-way. (\$4,450,000)
- 2) Increased interest costs resulting from increased interest rates and need of longer period of borrowing. (\$2,093,000)
- 3) Increased administrative expenses resulting from extension of project execution from 60 to 90 months, and annual increases in the cost of doing business. (\$1,710,361)
- 4) Cost of improving Union Wharf as a construction site is estimated at approximately \$900,000.
- 5) Demolition costs for wharves and piers where work is completed was substantially in excess of original budget estimates. On the basis of existing conditions of wharves and piers and the cost of this type of demolition, our engineering consultant estimates that costs will be substantially higher. (\$217,000) Removal of the Clinton Street and State Street ramps from the Central Artery (\$300,000). Relocation of a portion of the Union Freight Railroad tracks at an estimated cost of approximately \$120,000. Site preparation work for Parcel C-2-\$100,000 not included in original estimate.
- 6) Increased cost of engineering services provided under contracts with Schoenfeld Associates (\$324,161). Included also in this revision is \$30,000 to cover study of the Quincy Market area buildings to determine feasibility of restoration.

I recommend the Authority adopt the attached Resolution authorizing the filing of an amendatory application for a Temporary Loan and Capital Grant Contract.

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
URBAN RENEWAL PROGRAM

APPLICATION FOR LOAN AND GRANT

PROJECT LOCALITY

Boston, Massachusetts

PROJECT NAME

Downtown Waterfront  
Faneuil Hall Project

PROJECT NUMBER

Mass. R-77

DATE RECEIVED (To be filled in by HUD)

INSTRUCTIONS: Prepare original and required copies for HUD. Place original in Binder No. 1, copies in remaining Binders.

A. CORPORATE NAME OF APPLICANT

Boston Redevelopment Authority

B. TYPE OF APPLICATION

- ☒ Temporary Loan and/or Capital Grant, for project execution ☐ Complete all blocks  
☐ Temporary Loan, for early land acquisition ☐ Leave Blocks D and E Blank

C. SUBMISSION

- ☐ Initial application  
☒ Revision of previously approved application dated May 15, 1968, 19\_\_\_\_, for purpose of:  
☐ Change in project area boundaries ☐ Revision in Relocation Grant  
☒ Revision in Temporary Loan ☐ Revision in Rehabilitation Grant  
☒ Revision in Project Capital Grant ☐ Other (Explain)

D. REPAYMENT OF ADVANCES

Upon undertaking this project, the Applicant will repay, with interest, Title I advances in the sums indicated and in accordance with the contract shown below:

ADVANCE CONTRACT NUMBER	AMOUNT OF CONTRACT	AMOUNT ADVANCED UNDER CONTRACT
Not applicable, advance repaid	\$	\$
	\$	\$
	\$	\$

E. EXISTING FEDERAL AUTHORIZATIONS

Estimated survey and planning costs for this project, in accordance with the most recent approved Survey and Planning Budget No. Not, approved on \_\_\_\_\_, 19\_\_\_\_: \$ \_\_\_\_\_

F. TYPE AND AMOUNT OF FUNDS BEING APPLIED FOR

TYPE (Check applicable items)	TOTAL AMOUNT	COMPLETE ONLY IF REVISION
		AMOUNT OF CHANGE (+) or (-)
<input checked="" type="checkbox"/> TEMPORARY LOAN	\$ 31,850,709	( ) \$ 9,814,509
<input checked="" type="checkbox"/> PROJECT CAPITAL GRANT <input checked="" type="checkbox"/> 2/3 Basis <input type="checkbox"/> 3/4 Basis: <input type="checkbox"/> Limited project costs <input type="checkbox"/> Municipality with population of 50,000 or less <input type="checkbox"/> In Redevelopment Area, municipality with population of more than 50,000	\$ 25,174,709	( ) \$ 9,814,509
<input type="checkbox"/> RELOCATION GRANT	\$	( ) \$
<input type="checkbox"/> REHABILITATION GRANT	\$	( ) \$

G. PROGRAM

☐ Title I of the Housing Act of 1949, as amended to date

☐ Title I of the Housing Act of 1949, as amended prior to the Housing Act of 1954



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN RENEWAL PROGRAM  <b>PROJECT COST ESTIMATE AND FINANCING PLAN</b>	PROJECT LOCALITY <b>Boston, Massachusetts</b>
	PROJECT NAME <b>Downtown Waterfront - Faneuil Hall</b>
INSTRUCTIONS: Submit original and a second signed copy in Binder No: 1, and copies in Binders No. 2, 3, 4, 5, 6, and 7.	PROJECT NUMBER <b>Mass. R-77</b>

SUBMISSION (Check and complete the description which applies)

☐ ACCOMPANIES FINAL PROJECT REPORT

REVISES PROJECT COST ESTIMATE AND FINANCING PLAN

☒ SUBMITTED BY LPA ON March 13, 1968

DATED \_\_\_\_\_, 19\_\_\_\_

☒ ACCEPTED BY HUD ON May 15, 1968

## SECTION A. ESTIMATE OF GROSS AND NET PROJECT COSTS

LINE NO.	ITEM	TO BE COMPLETED BY LPA		TO BE COMPLETED BY HUD
		<input type="checkbox"/> INITIAL ESTIMATE OR <input checked="" type="checkbox"/> LATEST ACCEPTED ESTIMATE (a)	REVISED ESTIMATE (b)	ESTIMATE ACCEPTED BY HUD (c)
A-1	ITEM 1 OF GROSS PROJECT COST:			
	TOTAL PROJECT EXPENDITURES (from Form HUD-6220, line 19)	\$ 19,818,207	\$ 29,744,071	\$
A-2	ITEM 2 OF GROSS PROJECT COST (Noncash Local Grants-in-Aid):			
	Cash value of land donations (from Supporting Schedule 1)	0	0	
A-3	Demolition and removal work (from Supporting Schedule 2)	206,000	1,775	
A-4	Project or site improvements (from Supporting Schedule 3)	6,875,897	11,661,196	
A-5	Public or supporting facilities (from Supporting Schedule 4)	290,196	505,022	
A-6	Other noncash local grants-in-aid (from Supporting Schedule 5)	0	0	
A-7	TOTAL NONCASH LOCAL GRANTS-IN-AID (sum of lines A-2 through A-6)	\$ 7,372,093	\$ 12,167,993	\$
A-8	GROSS PROJECT COST (ITEM 1 plus ITEM 2) (line A-1 plus A-7)	\$ 27,190,300	\$ 41,912,064	\$
	PROCEEDS FROM PROJECT LAND:			
A-9	Sale price of project land to be sold	\$ 4,150,000	\$ 4,150,000	\$
A-10	Capital value imputed to project land to be leased	0	0	
A-11	Capital value of project land to be retained by LPA	0	0	
A-12	TOTAL PROCEEDS FROM PROJECT LAND (sum of lines A-9, A-10, and A-11)	\$ 4,150,000	\$ 4,150,000	\$
A-13	NET PROJECT COST (line A-8 minus A-12)	\$ 23,040,300	\$ 37,762,064	\$
	SHARING OF NET PROJECT COST:			
A-14	Net Project Cost of this project (from line A-13)	\$ 23,040,300	\$ 37,762,064	\$
A-15	Net Project Cost of other projects (if any) pooled with this project (from Supporting Schedule 6)	0	0	
A-16	Aggregate Net Project Costs for this and other projects (if any) in the pool (line A-14 plus A-15)	23,040,300	37,762,064	
A-17	Minimum local grants-in-aid required for this and other projects (if any) in the pool	7,680,100	12,587,355	
A-18	(Less) Total local grants-in-aid to be provided for other projects (if any) in the pool	0	0	
A-19	(Equals) Minimum local grants-in-aid required for this project (line A-17 minus A-18)	\$ 7,680,100	\$ 12,587,355	\$

## SECTION A. ESTIMATE OF GROSS AND NET PROJECT COSTS (Continued)

LINE NO.	ITEM	TO BE COMPLETED BY LPA		TO BE COMPLETED BY HUD
		<input type="checkbox"/> INITIAL ESTIMATE OR <input checked="" type="checkbox"/> LATEST ACCEPTED ESTIMATE	REVISED ESTIMATE	ESTIMATE ACCEPTED BY HUD
		(a)	(b)	(c)
	SHARING OF NET PROJECT COST: (Continued)			
	LOCAL GRANTS-IN-AID, THIS PROJECT:			
A-20	Noncash local grants-in-aid (from line A-7)	\$ 7,372,093	\$ 12,167,993	\$
A-21	Cash local grants-in-aid	308,007	419,362	
A-22	TOTAL LOCAL GRANTS-IN-AID FOR THIS PROJECT (line A-20 plus A-21) (must be not less than A-19)	\$ 7,680,100	\$ 12,587,355	\$
A-23	PROJECT CAPITAL GRANT (line A-14 minus A-22)	\$ 15,360,200	\$ 25,174,709	\$
A-24	RELOCATION GRANT (from Form HUD-6220, line 20)	\$ 2,526,000	\$ 2,526,000	\$
A-25	REHABILITATION GRANT (from Form HUD-6220, line 21)	\$ 0	\$ 0	\$
A-26	TOTAL FEDERAL CAPITAL GRANT (sum of lines A-23, A-24, and A-25)	\$ 17,886,200	\$ 27,700,709	\$

## SECTION B. SOURCES OF FUNDS FOR PROJECT EXPENDITURES, RELOCATION PAYMENTS, AND REHABILITATION GRANTS

LINE NO.	ITEM	TO BE COMPLETED BY LPA		TO BE COMPLETED BY HUD
		<input type="checkbox"/> INITIAL ESTIMATE OR <input checked="" type="checkbox"/> LATEST ACCEPTED ESTIMATE	REVISED ESTIMATE	ESTIMATE ACCEPTED BY HUD
		(a)	(b)	(c)
B-1	Total cash requirements for project expenditures, Relocation Payments, and Rehabilitation Grants (sum of lines A-1, A-24, and A-25)	\$ 22,344,207	\$ 32,270,071	\$
	Cash local grants-in-aid:			
	SOURCE OF CASH	ACTUAL OR ESTIMATED DATE OF RECEIPT		
B-2		\$ 308,007	\$ 419,362	\$
B-3				
B-4				
B-5	Real estate tax credits (from Form HUD-6220, line 6b)	0	0	
B-6	Total cash local grants-in-aid (sum of lines B-2 through B-5)	\$ 308,007	\$ 419,362	\$
B-7	Total funds to be applied to project expenditures, Relocation Payments, and Rehabilitation Grants, from short-term borrowings other than those on line B-9 below	\$ 0	\$ 0	\$
B-8	Subtotal (line B-6 plus B-7)	\$ 308,007	\$ 419,362	\$
B-9	PROJECT TEMPORARY LOAN THROUGH DIRECT OR PRIVATE FINANCING UNDER LOAN AND GRANT CONTRACT (line B-1 minus B-8)	\$ 22,036,200	\$ 31,850,709	\$

SECTION C. SOURCES OF FUNDS FOR REPAYMENT OF PROJECT TEMPORARY LOAN

LINE NO.	ITEM	TO BE COMPLETED BY LPA		TO BE COMPLETED BY HUD
		<input type="checkbox"/> INITIAL ESTIMATE OR <input checked="" type="checkbox"/> LATEST ACCEPTED ESTIMATE (a)	REVISED ESTIMATE (b)	ESTIMATE ACCEPTED BY HUD (c)
C-1	TOTAL PROCEEDS FROM PROJECT LAND (from line A-12)	\$ 4,150,000	\$ 4,150,000	\$
C-2	Project capital grant (from line A-23)	15,360,200	25,174,709	
C-3	Relocation Grant (from line A-24)	2,526,000	2,526,000	
C-4	Rehabilitation Grant (from line A-25)	0	0	
C-5	TOTAL (sum of lines C-1 through C-4) (The sum shown on this line must be equal to amount shown on line B-9, above)	\$22,036,200	\$31,850,709	\$

Acceptance of the estimates submitted is hereby requested.

_____ <i>Date</i>	_____ <i>Signature of Authorized Officer</i>
_____ <b>Boston Redevelopment Authority</b> <i>Local Public Agency</i>	_____ <b>Development Administrator</b> <i>Title</i>

ACCEPTANCE

The estimates are accepted as indicated in the appropriate column.

_____ <i>Date</i>	_____ <i>Signature</i>
	_____ <i>Title</i>

## SUPPORTING SCHEDULES

## SCHEDULE 1. LAND DONATIONS (Land Parcels or Land Interests)

IDENTIFICATION (a)	NAME OF DONOR (b)	ESTIMATED CASH VALUE SUBMITTED BY LPA (c)	TO BE COMPLETED BY HUD
			ESTIMATED CASH VALUE ACCEPTED BY HUD (d)
NONE		\$	\$
CASH VALUE OF LAND DONATIONS (Enter on line A-2)		\$	\$

SCHEDULE 2. DEMOLITION AND REMOVAL WORK—NONCASH LOCAL GRANTS-IN-AID  
(Include work which has been or will be provided)

IDENTIFICATION OF DEMOLITION OR REMOVAL WORK JOBS (a)	NAME OF PROVIDING ENTITY (b)	ESTIMATED NET COST SUBMITTED BY LPA (c)	TO BE COMPLETED BY HUD
			ESTIMATED NET COST ACCEPTED BY HUD (d)
South Ferry Buildings 79 Eastern Avenue	City of Boston	\$ 1,775	\$
TOTAL DEMOLITION AND REMOVAL WORK TO BE CHARGED TO ITEM 2 OF GROSS PROJECT COST (Enter on line A-3)		\$ 1,775	\$

## SCHEDULE 3. PROJECT OR SITE IMPROVEMENTS—NONCASH LOCAL GRANTS-IN-AID

IDENTIFICATION (a)	NAME OF PROVIDING ENTITY (b)	ESTIMATE SUBMITTED BY LPA			TO BE COMPLETED BY HUD	
		TOTAL COST (c)	CHARGE TO PROJECT <sup>1</sup>		ESTIMATE ACCEPTED BY HUD	
			% (d)	AMOUNT ((c) X (d)) (e)	% (f)	AMOUNT (g)
Streets and Wharves	City of Boston	\$ 6,322,480	*	\$ 5,211,250		\$
Parks	City of Boston	541,910	100	541,910		
Lighting	City of Boston	322,800	*	275,950		
Low Service Water	City of Boston	547,560	*	542,140		
High Service Water	City of Boston	344,160	100	344,160		
High Pressure Fire	City of Boston	390,720	100	390,720		

If a special assessment against project-acquired land is involved, apply the percent of direct benefit to the project from the improvement to its total cost and subtract from that amount the total amount of the special assessment against the project-acquired land.

## SUPPORTING SCHEDULES (Continued)

## SCHEDULE 3. PROJECT OR SITE IMPROVEMENTS—NONCASH LOCAL GRANTS-IN-AID (Continued)

IDENTIFICATION (a)	NAME OF PROVIDING ENTITY (b)	ESTIMATE SUBMITTED BY LPA		TO BE COMPLETED BY HUD	
		TOTAL COST (c)	CHARGE TO PROJECT <sup>1</sup>		ESTIMATE ACCEPTED BY HUD
			% (d)	AMOUNT ((c) X (d)) (e)	
Sewers and Drains	City of Boston	\$ 4,250,340	—*	\$ 3,991,070	
Police and Fire Signals	City of Boston	109,200	100	109,200	
Traffic Control System	City of Boston	247,680	*	224,800	
Street Signs	City of Boston	30,000	100	30,000	
*see attached narrative statement					
TOTAL PROJECT OR SITE IMPROVEMENTS TO BE CHARGED TO ITEM 2 OF GROSS PROJECT COST (Enter on line A-4)				\$ 11,661,196	\$

## SCHEDULE 4. PUBLIC OR SUPPORTING FACILITIES

IDENTIFICATION (a)	NAME OF PROVIDING ENTITY (b)	ESTIMATE SUBMITTED BY LPA		TO BE COMPLETED BY HUD	
		TOTAL COST (c)	CHARGE TO PROJECT <sup>1</sup>		ESTIMATE ACCEPTED BY HUD
			% (d)	AMOUNT ((c) X (d)) (e)	
Police Station in Government Center	City of Boston	\$ 1,400,000	13	\$ 182,000	
Central Artery Adjustments	State Department of Public Works	294,000	10	29,400	
Street and Utility Work in Government Center	City of Boston	209,589	50	104,796	
Streets Bordering Waterfront Project					
North End Branch, Boston Public Library	City of Boston	274,788	39.4	108,266	
Fire Station Cambridge Street	City of Boston	353,334	22.8	80,560	
TOTAL SUPPORTING FACILITIES TO BE CHARGED TO PROJECT (Enter on line A-5)				\$ 505,022	\$

<sup>1</sup> If a special assessment against project-acquired land is involved, apply the percent of direct benefit to the project from the improvement or facility to its total cost and subtract from that amount the total amount of the special assessment against the project-acquired land.

## SUPPORTING SCHEDULES (Continued)

## SCHEDULE 5. OTHER NONCASH LOCAL GRANTS-IN-AID (Including Sec. 112 educational institutions or hospitals; Sec. 107(b) low-rent public housing)

IDENTIFICATION (a)	TO BE COMPLETED BY LPA		TO BE COMPLETED BY HUD
	NAME OF PROVIDING ENTITY (b)	ESTIMATE SUBMITTED BY LPA (c)	ESTIMATE ACCEPTED BY HUD (d)
NONE		\$	\$
TOTAL (Enter on line A-6)		\$	\$

## SCHEDULE 6. NET PROJECT COST OF OTHER PROJECTS POOLED WITH THIS PROJECT (From latest accepted Form HUD-6200, line A-13, for the following projects:)

PROJECT NUMBER (Enter each project number) (a)	TO BE COMPLETED BY LPA		TO BE COMPLETED BY HUD
	DATE APPROVED BY HUD (b)	ESTIMATE SUBMITTED BY LPA (c)	ESTIMATE ACCEPTED BY HUD (d)
		\$	\$
TOTAL (Enter on line A-15)		\$	\$

Attachment to Form HUD-6200

Schedule 2. Demolition and Removal Work

Central Artery Adjustments

The removal of the Clinton Street and State Street ramps was approved in the original budget dated August 18, 1964. In this revision the cost of the ramp removal is transferred from this Schedule to line 9, Site Clearance, Project Expenditures Budget.

South Ferry Building, 79 Eastern Avenue

A request for approval of grant-in-aid credit for the demolition of the South Ferry Building, 79 Eastern Avenue, Block 105-3, in the Water-front Project was sent to the Regional Office on April 26, 1967. Because of the deteriorated condition of the structure and danger to public safety, condemnation and demolition by the City was necessary before the scheduled acquisition by the Authority.

Schedule 3. Project or Site Improvements, Non-Cash Local Grants-in-Aid

The revised costs of project improvements, prepared by our engineering consultant, update the preliminary budgetary estimates submitted with the R-224 report and reflect increases estimated on the basis of studies made in connection with the preparation of master street and utility plans, specifications and working drawings required for the construction of project improvements. All of the revised estimates conform to the schedule of improvements proposed in the R-224 and are in accordance with the comments regarding eligible costs cited by HUD in its review of the budget for project improvements.

#### Schedule 4. Public Supporting Facilities

##### Police Station in Government Center

Credit of \$156,000 for the Police Station was approved in the original project cost estimate. The former estimate of \$1,200,000 for construction has been updated to \$1,400,000 based on final architectural plans and specifications. At 13 percent credit, this increases the amount charged to the project by \$26,000.

##### Central Artery Adjustments

Credit to the project of 100 percent for the construction of the new Mercantile Street ramp was requested in the original project cost estimate. HUD allowed 10 percent credit in the amount of \$29,400 for budgetary purposes pending further evidence showing percentage credit based upon relative benefit to the project in terms of traffic volumes. Traffic studies are being carried out by the Authority to support an increase in credit and upon completion of the work, the information will be forwarded to the Regional Office for approval. No change in credit is requested at this time.

##### Street and Utility Work in Government Center Streets Bordering Waterfront Project

No change in credit to the project for this work as approved on August 18, 1964, is requested.

##### North End Branch, Boston Public Library

A request for approval of certification of cost of noncash local grant-in-aid for the newly constructed North End Branch Library is enclosed separately with this submission. The library serves residents in an area which includes the entire sector of the project area located on the easterly side of the Central Artery. A request for 39.4 credit in the amount of \$108,266 is explained and justified in the accompanying submission.

Fire Station, Cambridge Street

A request for approval of certification of cost of noncash local grant-in-aid for the new fire station in Cambridge Street was sent to the Regional Office on January 6, 1967. Total cost of the station is \$353,334. A credit of 22.8 percent in the amount of \$80,560 is claimed on the basis of the area in the project served by the fire station.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
URBAN RENEWAL PROGRAM

## PROJECT EXPENDITURES BUDGET

## PROJECT LOCALITY

Boston, Massachusetts

## PROJECT NAME

Downtown Waterfront-Faneuil  
Hall

## PROJECT NUMBER

Mass. R-77

## BUDGET NO.

3

INSTRUCTIONS: Initial Budget: Prepare original and 8 copies for HUD. Submit original and 4 copies in Binder No. 1, and copies in Binders No. 2, 3, 4, and 5. Revised Budget: If with ancudatory application, follow "Initial Budget" instructions. Otherwise, submit original and 4 copies to HUD.

## DATES OF BUDGET APPROVALS (Complete for revision only)

Budget No. 1, August 18, 19 64 Latest Approved Budget (No. 2), May 15, 19 68

LINE NO.	ACTIVITY CLASSIFICATION <sup>1</sup>	TO BE COMPLETED BY LPA			TO BE FILLED IN BY HUD
		USE ONLY FOR REVISED BUDGET		BUDGET REQUESTED FOR	BUDGET APPROVED FOR
		LATEST APPROVED BUDGET (a)	ADJUSTMENT (+ OR -) (b)	<u>90</u> MONTHS (c)	<u>      </u> MONTHS (d)
1	TOTAL SURVEY AND PLANNING EXPENDITURES (Includes all costs incurred, costs estimated to be incurred, and interest on advances to repayment date) (R 1401, R 1403, R 1404)	\$ 867,011	\$ 13,097	\$ 853,914	\$
2	PROJECT EXECUTION EXPENDITURES:				
	Administration:				
	a. Administrative overhead and services (R 1410.01, R 1410.09, R 1410.16, R 1410.19, R 1416)	1,602,548	1,710,361	3,312,909	
	b. Travel (R 1410.05)	--	--	--	
3	Office furniture and equipment (R 1475)	--	--	--	
4	Legal services (R 1410.024, R 1415)	68,000	35,000	103,000	
5	Survey and planning (R 1410.021, R 1430)	15,000	346,400	361,400	
6	Acquisition expenses (R 1410.022, R 1440.02 through R 1440.06)	125,275	61,000	186,275	
7a	Temporary operation of acquired property— Profit (—) or Loss (+) (R 1410.027, R 1448)	35,000	36,000	71,000	
7b	Amount included in Line 7a as real estate tax credits (R 1448.038)	[ -- ]	[ -- ]	[ -- ]	[ -- ]
8	Relocation and Community organization, excluding Relocation Payments (R 1410.023, R 1443)	150,000	(-) 92,000	58,000	
9	Site clearance—Proceeds (—) or Cost (+) (R 1410.025, R 1450)	1,848,050	808,350	2,656,400	
10	Project or site improvements (R 1410.026, R 1455)	71,945	854,055	926,000	
11	Disposal, lease, retention costs (R 1410.028, R 1445)	100,000	0	100,000	
12	Rehabilitation and conservation, excluding Rehabilitation Grants (R 1410.029, R 1460)	210,000	0	210,000	
13	Interest (R 1420.013, R 1420.02)	633,000	2,093,000	2,726,000	
14	Other income (—) (R 1449)	(-) 225,000	(-) 255,000	(-) 480,000	(-)

For a project on a three-fourths capital grant basis with limited project costs, enter zero on Lines 1 through 7b.

LINE NO.	ACTIVITY CLASSIFICATION	TO BE COMPLETED BY LPA			TO BE FILLED IN BY HUD
		USE ONLY FOR REVISED BUDGET		BUDGET REQUESTED FOR 90 MONTHS (c)	BUDGET APPROVED FOR ____ MONTHS (d)
		LATEST APPROVED BUDGET (a)	ADJUSTMENT (+ or -) (b)		
15	Subtotal (sum of Lines 2 through 14, excluding Line 7b)	\$ 4,633,818	+\$ 5,597,166	\$ 10,230,984	\$
16	Contingencies (for Column (c), not to exceed 15% of Line 15)	782,192	- 182,192	600,000	
17	Real estate purchases (R 1440.01)	13,400,000	+ 4,450,000	17,850,000	
18	Project inspection (R 1418)	135,186	+ 73,987	209,173	
19	TOTAL PROJECT EXECUTION EXPENDITURES (sum of Lines 15, 16, 17, and 18)	18,951,196	+ 9,938,961	28,890,157	
	TOTAL PROJECT EXPENDITURES (ITEM 1 OF GROSS PROJECT COST) (Line 1 plus 19)	\$ 19,818,207	+\$ 9,925,864	\$ 29,744,071	\$
21	Relocation Payments 100% reimbursable to LPA (R 1501)	\$ 2,526,000	\$ 0	\$ 2,526,000	\$
22	Rehabilitation Grants 100% reimbursable to LPA (R 1502)	\$ --	\$ --	\$ --	\$

Approval of the Project Expenditures Budget in the amounts and for the time period shown in Column (c) is hereby requested.

Boston Redevelopment Authority

Local Public Agency

Date

Signature of Authorized Officer

Development Administrator

Title

HUD APPROVAL

The Project Expenditures Budget is hereby approved in the amounts and for the time period shown in Column (d).

The project shall be completed by \_\_\_\_\_, 19\_\_.

Date

Signature

Title

## SUPPORTING SCHEDULE

## PROJECT OR SITE IMPROVEMENTS CHARGED AS PROJECT EXPENDITURES

IDENTIFICATION	TO BE COMPLETED BY LPA			TO BE FILLED IN BY HUD	
	TOTAL COST	CHARGE TO PROJECT			
		%	AMOUNT		
Installation of Police Signal System	\$ 20,000	100	\$ 20,000		\$
(approved by HUD in letter dated August 11, 1966)					
Cost of site improvements Union Wharf, Parcel B-4	906,000	100	906,000		
Including \$755,000 for bulkhead and deck repairs plus 20 percent contingencies of \$151,000 for rising costs, special investigation of bulkhead condition, borings and tests, contract documents, and inspection of construction.					
TOTAL PROJECT OR SITE IMPROVEMENTS TO BE CHARGED TO ITEM 1 OF GROSS PROJECT COST			\$ 926,000		\$

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN RENEWAL PROGRAM		PROJECT LOCALITY Boston, Massachusetts				
DATA SUPPORTING PROJECT EXPENDITURES BUDGET		PROJECT NAME Downtown Waterfront- Faneuil Hall Project				
INSTRUCTIONS: Prepare original and 4 copies for HUD. If part of an initial or amendatory application, submit original in Binder No. 1, copies in Binders No. 2, 3, 4, and 5. If not part of an application, do not submit in binders.		PROJECT NUMBER Mass. R-77				
Accompanies Form HUD-6220 dated _____, 19____.						
HUD-6220 LINE NO.	ACCOUNT NUMBER	EXPLANATION	AMOUNT CHARGEABLE TO BUDGET (a)	LINE TOTAL (b)		
1	R 1401; R 1403; R 1404	SURVEY AND PLANNING EXPENDITURES				
		Total estimated survey and planning costs other than interest	\$ 834,253			
	R 1420.011; R 1420.012	Interest on Federal advances	19,661			
	R 1420.02	Interest on other borrowed funds	--			
		LINE 1 TOTAL		\$ 853,914		
2 3 4		ADMINISTRATION OFFICE FURNITURE AND EQUIPMENT LEGAL SERVICES				
Entries on these lines of Form HUD-6220 shall be supported by a narrative statement explaining the cost estimates and the basis of any proration of the costs to this project.						
5		SURVEY AND PLANNING				
Attach a narrative statement describing the nature of the survey and planning work, including reference to any previous HHFA or HUD approval for such work in the project execution stage.						
6	R 1410.022	ACQUISITION EXPENSES				
		LPA salaries and wages - Acquisition (from Form HUD-630)	\$ --			
	R 1440.02	Contracts for acquisition appraisals	61,000			
	R 1440.03	Option negotiations	50,000			
	R 1440.04	Title information	0			
	R 1440.05	Sundry acquisition costs - Direct Purchase	5,275			
	R 1440.06	Sundry acquisition costs - Condemnation	70,000			
		LINE 6 TOTAL		\$ 186,275		
7a	R 1410.027	TEMPORARY OPERATION OF ACQUIRED PROPERTY				
		LPA salaries and wages - Management (from Form HUD-630)	\$			
	R 1448.01	Gross income from temporary operation				
		CLASS OF LESSEE	NO. OF PROP- ERTIES	AVERAGE RENTAL	UNIT MOS. OF MGMT.	TOTAL INCOME
		Residential		\$		\$
		Commercial	440	300	11,400	3,420,000
		Industrial				
		Institutional				

\* For a project on a three-fourths capital grant basis with limited project costs, enter zero on line 7a

HUD-6220 LINE NO.	ACCOUNT NUMBER	EXPLANATION	AMOUNT CHARGEABLE TO BUDGET (a)	LINE TOTAL (b)
10		PROJECT IMPROVEMENTS		
	R 1410.0 26	LPA salaries and wages - Project Improvements (from Form HUD-630)	\$ --	
	R 1455	Contracts for preparation of contract documents	38,000	
		Project Improvements (from Form HUD-6220, Supporting Schedule)	888,000	
Attach a narrative statement giving the sources and basis of estimates of project improvements, or referring to such data in the accompanying Project Improvements Report.				
LINE 10 TOTAL				\$ 926,000
11		DISPOSAL, LEASE, RETENTION COSTS		
	R 1410.028	LPA salaries and wages - Disposition (from Form HUD-630)	\$ --	
	R 1445.01	Disposition appraisals, boundary surveys, and maps	75,000	
	R 1445.02	Commissions and fees	--	
	R 1445.03	Sundry disposition costs	25,000	
LINE 11 TOTAL				\$ 100,000
12		REHABILITATION AND CONSERVATION, EXCLUDING REHABILITATION GRANTS		
	R 1410.029	LPA salaries and wages - Rehabilitation and Conservation (from Form HUD-630)	\$ --	
	R 1460	Contracts for technical and administrative services for rehabilitation and conservation program	210,000	
Attach a narrative statement giving the sources and basis of estimates of the above amounts.				
LINE 12 TOTAL				\$ 210,000
13		INTEREST		
Attach a narrative statement giving the sources and basis of estimates of interest costs.				
14		OTHER INCOME		
	R 1449	Source of LPA income other than covered in Line 7a or 9		
		Investment of Excess Cash	\$ 480,000	
LINE 14 TOTAL				\$ 480,000
17		REAL ESTATE PURCHASES		
Attach a narrative statement giving a justification for the estimate for real estate purchases, including reference to appraisal reports and breakdown of estimated acquisition cost showing separately estimates for project land and compensation for consequential damage, if any, to real or personal property that is not to be acquired. Also include a schedule showing, on a quarterly basis, the proposed land acquisition activity for each segment of the project.				

HUD- 6220 LINE NO.	ACCOUNT NUMBER	EXPLANATION	AMOUNT CHARGEABLE TO BUDGET  (a)	LINE TOTAL  (b)
21	R 1501	RELOCATION PAYMENTS 100% REIMBURSABLE TO LPA		
		TYPE OF PAYMENT AND CLASS OF PAYEE	ESTIMATED NUMBER TO RE- CEIVE PAYMENTS	ESTIMATED AVERAGE AMOUNT
		a. TOTAL MOVING EXPENSES AND ACTUAL DIRECT LOSS OF PROPERTY		\$
		b. Individuals		\$
		c. Families		
		NO REVISION REQUESTED		
		* d. Business concerns		
		e. TOTAL SETTLEMENT COSTS AND RELATED CHARGES		
		f. Individuals		\$
		g. Families		
		h. Business concerns		
		i. TOTAL RELOCATION ADJUSTMENT PAYMENTS		
		j. Elderly individuals		\$
		k. Families		
		l. TOTAL SMALL BUSINESS DISPLACEMENT PAYMENTS		
		LINE 21 TOTAL (a + e + i + l)		
		* Has LPA elected to make payments for moving expenses in excess of \$25,000? <input type="checkbox"/> YES <input type="checkbox"/> NO  If Yes: A. Estimated number of business concerns to receive payment in excess of \$25,000: _____  B. Estimated total amount of moving expenses in excess of \$25,000:       \$ _____  C. Portion of line B amount to be paid with a Federal relocation grant and included in line e amount above:               \$ _____  D. Portion of line B amount to be paid out of nonproject funds:             \$ _____		
22	R 1502	REHABILITATION GRANTS 100% REIMBURSABLE TO LPA		
		a. Total number of owner-occupied, one- or two-family residential properties which are to be rehabilitated in accordance with objectives of Urban Renewal Plan		
		b. Estimated number of such properties for which a Rehabilitation Grant will be made		
		c. Estimated average amount of Rehabilitation Grant		\$
		LINE 22 TOTAL (line b X line c)		
		\$ NONE		

Narrative Statement and Justification for Form H-6121, Data Supporting  
Project Expenditures Budget

A justification and explanation of the proposed budget revisions  
is outlined below.

Line 1. Survey and Planning Expenditures

Approved Budget		\$867,011
Costs Incurred	\$853,914	
Encumbrance	0	<u>853,914</u>
	Balance	\$ 13,097
Decrease		\$ 13,097
Revised Budget		\$853,914

A decrease of \$13,097 in the approved budget is requested to  
reflect the actual total costs incurred upon completion of survey and  
planning activities.

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Line 2(a). Administration

Approved Budget		\$1,602,548
Costs Incurred	\$1,558,403	
Encumbrances	0	<u>1,558,403</u>
	Balance	\$ 44,145
Increase		\$1,710,361
Revised Budget		\$3,312,909

Line 2(a) is computed by taking approximately 13 percent of the  
sum of Lines 4 through 13 and Line 17 (\$25,248,075).

Line 4. Legal Services

Approved Budget		\$ 68,000
Costs Incurred	\$ 32,856	
Encumbrances	10,000	<u>42,856</u>
	Balance	\$ 25,144
Increase		\$ 35,000
Revised Budget		\$103,000

In the original budget, \$25,000 was approved for special counsel services before the Superior Court for an estimated fifty land damage cases at \$500 each.

Of the 169 parcels acquired, 86 remain unsettled and a majority have filed petitions in the Superior Court for an assessment of damages.

With 42 parcels remaining to be acquired, it is now estimated that a total of 120 parcels will involve litigation, an increase of 70 parcels over the original estimate.

An additional \$35,000 is therefore requested for 70 land damage cases at \$500 each.

Line 5. Survey and Planning

Approved Budget		\$ 15,000
Costs Incurred	\$133,723	
Encumbrances	20,914	<u>154,637</u>
	Overrun	\$139,637
Increase		\$346,400
Revised Budget		\$361,400

In the original submission of the budget, \$75,000 was requested for contract consultant services involving design, planning, and engineering activities during project execution. In the budget review by HUD, the \$75,000 was reduced to \$15,000 and the remaining \$60,000 was transferred to Contingencies.

Most of the requested increase is required to cover the cost of engineering services provided under a contract with Schoenfeld Associates for technical and engineering advice and assistance; surveys for the purpose of preparing master street and utility plans; redevelopment planning including surveys of retaining walls and bulkheading proposed as project improvements and the planning and scheduling of such improvements to be provided by the City as noncash grants-in-aid. All costs charged to this account under the contract are eligible Item I costs.

On December 21, 1964, the Authority entered into the first of two contracts with Schoenfeld Associates, Inc., for engineering services. Maximum compensation under the contract was \$70,000, and costs incurred were charged to the project improvements account. The contract was terminated in April, 1966, with total costs amounting to \$46,285.

Simultaneous with closing out the above-mentioned contract with Schoenfeld, a new contract was entered into with Schoenfeld providing not only for a continuation of preliminary engineering services but also for the preparation of plans and specifications for the construction of project improvements.

Included in this revision is an increase of \$30,000 to cover the cost of a contract with Architectural Heritage, Inc., providing for a study of the Quincy Market area buildings to determine the feasibility of restoration and rehabilitation. The contract was forwarded to HUD for approval on August 4, 1967.

Included also in this revision is a request for \$7,000 to cover the cost of a contract with Thomas K. Dyer, Inc., for consultant services required in connection with the relocation and possible abandonment of the Union

Freight Railroad in the project area. Because of the magnitude of the railroad problem, it is necessary to have skilled professional advice and assistance during our negotiations with the UFRR. As these skills are beyond the ability of Authority staff, the services of a firm with professional experience in this field is necessary.

\* \* \* \* \*

Total costs accrued to the survey and planning account through January, 1967, total \$133,723. Of this amount, \$124,441 was incurred under the Schoenfeld contract.

A total of \$66,220 expended under the first and second Schoenfeld contracts is presently charged to the project improvements account in line 10 of the budget. As these costs should have been charged to the survey and planning account, the transfer of \$66,220 from project improvements to this account is proposed.

On the basis of estimates by our engineering staff, Item I costs, for Schoenfeld contract services chargeable to this account over the next two years, are projected as follows:

1968--11 months @ \$7,500 equals	\$ 82,500
1969--12 months @ \$3,750 equals	\$ 45,000
1970--12 months @ \$ 500 equals	\$ 6,000
Total estimated cost 1968 through 1970	<u>\$133,500</u>

A summary of the proposed increase in this account is as follows:

Total costs incurred through January, 1968	\$133,723
Costs incurred under 1st and 2nd Schoenfeld contracts transferred from project improvements, line 10	66,220
Cost Schoenfeld contract, 1968	82,500
Cost Schoenfeld contract, 1969	45,000
Cost Schoenfeld contract, 1970	6,000
Encumbrance Architectural Heritage contract	20,914
Cost Thomas Dyer contract	7,000
Total revised survey and planning budget	<u>\$361,357</u>
say	<u>\$361,400</u>
Approved survey and planning budget	<u>15,000</u>
Total increase requested	\$346,400

Line 6. Acquisition Expenses

Approved Budget		\$125,275
Costs Incurred	\$79,483	
Encumbrances	7,459	<u>86,942</u>
	Balance	\$ 38,333
Increase		\$ 61,000
Revised Budget		\$186,275

In a letter dated September 20, 1965, HUD approved a contract with Jackaon and Moreland, Inc., for special services required in connection with the contemplated acquisition of certain wharf properties. The purpose of the contract was to assure that the Authority would have the best available information concerning the physical condition of the wharf properties, as it relates to value, for possible use in land damage court proceedings. As such services were not anticipated in the budget, approval of the contract cost of \$31,000 is requested.

Since both first and second acquisition appraisals were made during the survey and planning stage, no funds were provided in the budget for such work. \$30,000 is therefore requested to cover the cost of appraisals of the Railroad rights-of-way not previously appraised, the cost of third appraisals required for certain parcels, and the updating of appraisals made during the survey and planning stage.

The total increase requested for appraisals is therefore \$61,000.

All other acquisition expenses approved in the original budger remain the same.

Line 7a. Temporary Operation Acquired Property

Approved Budget		\$ 35,000
Costs Incurred	-\$347,547	
Encumbrances	19,600	<u>-327,947</u>
	Balance	\$362,947
Increase		\$ 36,000
Revised Budget		\$ 71,000

As indicated on attached Form HUD-6121, Data Supporting Project Expenditures Budget, a revision of this account is requested on the basis of the following estimates of projected income and costs incurred through completion of the property management program:

Gross income from temporary operation: An increase of \$420,000 over the approved amount of \$3,000,000 is requested to reflect our latest estimate of income to the project through the completion of this activity.

Repairs and maintenance: An increase of \$150,000 in this account is requested to cover the estimated total cost of maintenance and repairs during the property management program.

Insurance: The revised estimate of the cost of public liability insurance for acquired property is \$123,000. An increase of \$53,000 in this account is requested.

Real Estate tax payments: Costs incurred for this item currently amounts to \$1,532,000. An increase of \$200,000 from \$2,100,000 to \$2,300,000 is requested to cover the revised estimate of total costs for this account.

Management contracts: An increase of \$17,000 is requested to provide additional funds for payments to the Quincy Market Cold Storage and Warehouse Company under a contract providing steam and brine service to wholesale food dealers located in BRA-owned property.

Temporary on-site moves: In the review of the original budget for this account, our request for \$10,000 for commercial on-site moves was transferred to Line 16, Contingencies. During the coming year it appears likely that about eight temporary on-site

moves will be necessary in order to meet our demolition schedule and clear areas that have priority for new development. The on-site moves involve eight meat dealers who cannot relocate until the new wholesale market, now under construction in the South Bay section of the City is completed. The average cost of each move is estimated to be about \$4,500. An increase of \$36,000 in this account for commercial on-site relocation is therefore requested.

Line 8. Relocation

Approved Budget		\$150,000
Costs Incurred	\$42,642	
Encumbrances	354	<u>42,996</u>
	Balance	\$107,004
Decrease		\$ 92,000
Revised Budget		\$ 58,000

In the original budget, \$150,000 was allowed for contracts providing for the planning and relocation of the wholesale food market. Two of the three food market groups are constructing new market facilities outside the project area and it is anticipated that the problem of relocating the third group, the fish dealers, will be resolved early this year.

It is proposed, therefore, that \$15,000 be retained in this account for continuing consultant services required to evaluate appraisals supporting requests for relocation payments and for services which may be required in connection with the relocation of the fish dealers.

A decrease of \$92,000 in this account is requested.

Line 9. Site Clearance

Approved Budget		\$1,848,050
Costs Incurred	\$336,183	
Encumbrances	327,191	<u>663,374</u>
	Balance	\$1,184,676
Increase		\$ 808,350
Revised Budget		\$2,656,400

Costs for the demolition of buildings incurred to date compare favorably with the original budget estimate of \$1,372,232.

Demolition costs, however, for wharves and piers where work is completed, are substantially in excess of original budget estimates.

The approved budget for wharf and pier demolition is \$247,577.

On the basis of actual field surveys and inspections of existing conditions of wharves and piers and the cost of this type of demolition work now under way both in the project area and in other local waterfront areas, our engineering consultant estimates that demolition costs for wharves and piers will be substantially higher than original estimates.

An increase in the present budget in the amount of \$217,253 for the demolition of wharves and piers estimated by our consultant, including 15 percent for contingencies and engineering work, is therefore requested:

Approved budget cost demolition of wharves and piers	\$247,577
Revised estimate cost demolition of wharves and piers	<u>464,830</u>
Estimated increase in cost demolition of wharves and piers	\$217,253

The cost of the demolition and removal of the Clinton Street and State Street ramps from the Central Artery is requested in the revision of this account. In the original approved financing plan, the removal was to be provided by the State Department of Public Works and was credited as a non-cash grant-in-aid in Schedule 2 of Form H-6200. State DPW has recently taken the position that its 1963 commitment extended to permitting only the ramps to be removed but did not commit the State to the cost of the removal. Although we disagree with that interpretation of their commitment, the only practical course seems to be to undertake the ramp removal as a project expenditure. Removal of the ramps is vital to the successful development of the project. Approval of \$300,000, estimated by our consultant as the cost of the demolition and engineering work, is requested.

The estimated MBTA relocation cost of \$299,314 is the amount approved in the original budget.

A letter to HUD dated December 19, 1967, requesting approval of the relocation of a portion of the Union Freight Railroad tracks at an estimated cost of \$80,000 is pending in the Regional Office. On the basis of more recent engineering studies, discussions with Railroad operating personnel and engineers, and discussions with our own railroad consultant, we now believe the cost will be about \$120,000.

The proposed site for moderate-income housing is located in an area of filled land. Field surveys indicate that the subsoil conditions in the area are extremely unsatisfactory and that foundation construction costs for moderate-income housing would be unusually high. In order to make the land disposable and economically feasible for this type of housing, site preparation work will be required. It is estimated that the cost of preparing the site will average about \$500 per dwelling unit. As 200 units of new housing are proposed, the total cost of the work requested in this revision is \$100,000.

A summary of revised costs as indicated on accompanying Form H-6121 is as follows:

Buildings and other structures (approved in original budget)	\$1,372,232
Wharves and piers (revised estimate)	464,830
Removal of ramps	300,000
MBTA relocation (approved in original budget)	299,314
Railroad relocation	120,000
Site Preparation work, Parcel C-2	<u>100,000</u>
Total Cost Site Clearance	\$2,656,376
	say \$2,656,400
Total increase requested	\$ 808,350

Line 10. Project Improvements

Approved Budget		\$ 71,945
Costs Incurred	\$86,220	
Encumbrances	0	<u>86,220</u>
	Overrun	\$ 14,275
Increase		\$854,055
Revised Budget		\$926,000

As previously mentioned above in Line 5, Survey and Planning, a total of \$66,220 expended under the first and second Schoenfeld contracts and charged to this account will be transferred to the appropriate survey and planning account, thereby reducing costs incurred for this activity.

A letter from the Regional Office dated August 11, 1966, approved the installation of a police signal system to service the temporary police station on Atlantic Avenue. The cost of the installation and the preparation of contract documents is \$20,000.

Site Improvements, Union Wharf, Parcel B-4

A feasibility study of Union Wharf as a relocation site for displaced wholesale fish dealers was prepared by BRA consultant, Chas. T. Main, Inc. The study indicated that the wharf is in a deteriorated condition, requiring extensive decking and bulkhead repairs before the parcel can be disposed of to the fish dealers. The consultant's estimate of the cost of the improvements is \$755,000 plus an additional 20 percent for contingencies and engineering services, totalling approximately \$906,000. The proposed site improvements, including the nature of the work required and a breakdown and justification of estimated costs was the subject of correspondence to HUD dated June 24, August 16 and September 26, 1966. The supporting information and cost of improvements was approved as an eligible Item II expenditure in a letter from HUD dated October 12, 1966. Under this revision, approval of the work is requested as an Item I project expenditure. None of the costs for site improvements requested under this account is included in the revised estimates of project improvements proposed as a non-cash grant-in-aid in supporting Schedule 3 of accompanying Form H-6200.

Line 11. Disposal Costs

No change in the original budget is proposed for this account.

Line 12. Rehabilitation

Approved Budget		\$210, 000
Costs Incurred	0	
Encumbrances	0	<u>0</u>
Balance		\$210, 000

No adjustment in the approved budget is requested.

Funds to undertake a proposed rehabilitation demonstration to show methods that can be utilized in converting warehouse buildings to dwelling units were approved in the original budget as described in Code No. 221 of the Final Project Report. The work will commence as soon as current rehabilitation studies are completed and the businesses occupying the structures have been relocated.

Line 13. Interest

Approved Budget		\$ 633, 000
Costs Incurred	\$960, 272	
Encumbrances	0	<u>960, 272</u>
	Overrun	\$ 327, 272
Increase		\$2, 093, 000
Revised Budget		\$2, 726, 000

The steady rise of interest rates for borrowings in the private market during the past several years has been a significant cause of increased interest costs since the budget was estimated. The deficiency is due also to an increase in project costs and an extension of the original budget period.

It is estimated that additional funds in the amount of \$2, 093, 000 will be required for interest through project completion. The following is a breakdown of estimated costs:

Interest cost incurred through January 1968	\$ 960,272
Cost February to September 1968	198,653
Estimated Cost September 1968 thru August 1969	650,000
Estimated Cost September 1969 thru August 1970	500,000
Estimated Cost September 1970 thru August 1971	325,000
Estimated Cost September 1971 thru Mid-February 1972	<u>92,000</u>
Total estimated interest costs thru project completion	\$2,725,925
say	\$2,726,000
Approved budget, interest costs	<u>633,000</u>
Additional interest costs required	\$2,093,000

Interest costs for private financing indicated above are estimated on the basis of the following schedule:

<u>Period</u>	<u>Amount of Loan</u>	<u>Time</u>	<u>Rate</u>	<u>Interest Cost</u>
Presently outstanding Feb. to Sept. 1968	\$10,300,000	7 mos.	3.3	\$198,653
Sept. 1968-August 1969	13,000,000	12 mos.	5	650,000
Sept. 1969-August 1970	10,000,000	12 mos.	5	500,000
Sept. 1970-August 1971	6,500,000	12 mos.	5	325,000
Sept. 1971-Mid Feb. 1972	4,000,000	5 1/2 mos.	5	92,000

Line 14. Other Income

Approved Budget		-\$225,000
Costs Incurred	\$453,451	
Encumbrances	0	<u>- 453,451</u>
	Balance	\$228,451
Increase		-\$255,000
Revised Budget		-\$480,000

Income to the project from invested funds now exceeds the budget by \$228,451. A total increase of \$255,000 over the original budget is estimated.

Line 16. Contingencies

It is requested that a portion of contingencies be applied against budget needs mentioned above and that \$600,000, approximately 6 percent of line 15, be reserved in this account to cover unforeseen future expenditures.